

**THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

IN RE:	§	
	§	
ALLAN L. REAGAN	§	CASE NO. 20-11161-TMD
	§	
DEBTOR.	§	CHAPTER 11

**AN ORDER WILL BE ENTERED GRANTING THE RELIEF REQUESTED HEREIN WITHOUT FURTHER HEARING UNLESS A WRITTEN OBJECTION AND REQUEST FOR HEARING IS FILED WITH THE CLERK WITHIN TWENTY-ONE (21) DAYS FROM THE DATE OF THE ISSUANCE OF THIS NOTICE. ANY SUCH OBJECTION MUST ALSO BE SERVED UPON THE MOVING PARTY AND UPON ALL OTHER PERSONS INDICATED ON THE CERTIFICATE OF SERVICE ATTACHED TO THIS PLEADING.**

**FIRST AND FINAL APPLICATION FOR COMPENSATION OF FEES AND EXPENSES THROUGH CONFIRMATION, OF MICHAEL G. COLVARD, SUBCHAPTER V TRUSTEE, UNDER 11 U.S.C. § 330(a) FED. R. BANKR. P.**

TO THE HONORABLE TONY M. DAVIS,  
UNITED STATES BANKRUPTCY JUDGE:

NOW COMES, MICHAEL G. COLVARD, SUBCHAPTER V TRUSTEE, Applicant herein (“Sub V Trustee”, “Applicant” and/or “Colvard”), to file his First and Final Application for Compensation of Fees and Expenses (the “Application”), requests this Court to award final fees in the amount of Forty-Nine Thousand Eight Hundred Dollars and 00/100 (\$49,800.00), plus expenses in the amount of One Thousand One Hundred Ninety-Four Dollars and 77/100 (\$1,194.77), plus One Thousand Dollars and 00/100 (\$1,000.00) for finalizing, filing and hearing on this Application, plus One Thousand Dollars and no/100 (\$1,000.00) for estimated fees and expenses for post-confirmation services prior to filing fee application, for a grand total of Fifty-Two Thousand Nine Hundred Ninety-Four Dollars and 77/100 (\$52,994.77).

## **I. NARRATIVE SUMMARY**

1.1 Allan L. Reagan (“Reagan” and/or “Debtor”) filed a Chapter 11 Small Business Case on October 22, 2020. Subchapter V Trustee was appointed on October 27, 2020 [Dkt. No. 8].

1.2 The 341 Meeting of Creditors was set for November 18, 2020, and the deadline to file Proofs of Claim was set for February 16, 2021.

1.3 Debtors’ Plan of Reorganization was filed on January 20, 2021 [Dkt. No. 54], as amended on March 9, 2021 [Dkt. No. 89], as amended on May 24, 2021 [Dkt. No. 165] (the “Plan”).

1.4 Applicant has claims for compensation from the estate for reasonable time, charges and expenses incurred, subject to Court approval. Applicant’s claim for fees is based in part upon 11 U.S.C. § 330(a), providing for recovery of fees incurred as a result of actual, necessary services rendered by Applicant as the Subchapter V Trustee and for reimbursement of actual, necessary expenses.

1.5 Michael G. Colvard, (“Colvard”), accepted the Subchapter V Trustee appointment and provided his Verified Statement providing for compensation at the hourly rate of \$400.00. The specified hourly rate is a lower rate than that usually charged for Applicant’s bankruptcy clients for similar services and is based, in part, on the customary compensation charged by comparably skilled practitioners in cases other than cases under the Bankruptcy Code. Colvard currently seeks final compensation for time and charges incurred from the date of appointment through substantial consummation of the Confirmed Plan.

1.6 Time Period. The time period of the services and expenses covered by this Application are from October 27, 2020 through June 3, 2021, and estimated fees and expenses through substantial consummation.

## **II. SUMMARY**

2.1 This Application seeks:

- i. Approval of and an order directing Sub V Trustee to pay fees and expenses not heretofore requested in the total amount of Fifty-One Thousand Nine Hundred Ninety-Four Dollars and 77/100 (\$51,994.77).

2.2 Compensation support exhibit reflecting time is attached as **Exhibit 1**.

2.3 A Fee Application Summary in the form of Appendix L2016-a-2 is attached hereto as **Exhibit 2** which provides the following information:

<b>SUMMARY</b>			
<b>TIME PERIOD</b>	<b>FEES REQUESTED</b>	<b>EXPENSE REQUEST</b>	<b>PROFESSIONAL</b>
October 27, 2020 – June 3, 2021	\$49,800.00 \$1,000.00 \$1,000.00	\$1,194.77	Martin & Drought, P.C.
<b>TOTAL</b>	\$49,800.00 \$1,000.00 \$1,000.00 \$51,800.00	\$1,194.77	<b>\$52,994.77</b>

2.4 The names, rates and admission dates for counsel who worked in this case are:

A. Michael G. Colvard - \$400 per hour, Texas— November 1979

2.5 The total hours billed per counsel and legal assistant per period are:

Colvard, M	<u>124.50 hours</u>	\$49,800.00
Plus	hours for finalizing, filing and hearing on this fee application	\$1,000.00
Plus	hours for post-confirmation services prior to filing fee application	<u>\$1,000.00</u>
<b>TOTAL</b>		<b>\$51,800.00</b>

## **III. EVALUATION STANDARDS**

3.1 11 U.S.C. 330(a)(1) directs the award of a professional of:

A. Reasonable compensation for actual, necessary services rendered; and

B. Reimbursement for actual, necessary expenses.

Applicant believes all services rendered were necessary and have produced a benefit to the estate. At all times, every reasonable effort was made to avoid duplication of effort and expense on the part of attorneys for the trustee. Accordingly, Applicant believes it has delivered high-quality services at an efficient and economical rate for the estate.

3.2 This Application is made pursuant to 11 U.S.C. § 330 permitting recovery of reasonable and necessary compensation for services as Subchapter V Trustee.

**IV. REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES**

4.1 An itemization of expenses appears in **Exhibit 3** hereto. A Declaration of Counsel under Rule 2016 is attached hereto and incorporated herein as **Exhibit 4**.

**V. RIGHT TO COMPENSATION**

5.1 Applicant seeks reimbursement under 11 U.S.C. § 330 for reasonable fees based upon Trustee's appointment and Verified Statement, on the confirmed plan, providing for payment of administrative expenses.

**PRAYER**

WHEREFORE, Applicant respectfully prays for an order awarding final compensation as an administrative expense or as allowed fees under 11 U.S.C. § 330(a) to applicant in the amount of final fees of Forty-Nine Thousand Eight Hundred Dollars and 00/100 (\$49,800.00), plus expenses in the amount of One Thousand One Hundred Ninety-Four Dollars and 77/100 (\$1,194.77), plus One Thousand Dollars and 00/100 (\$1,000.00) for finalizing, filing and hearing on this Application, plus One Thousand Dollars and no/100 (\$1,000.00) for estimated fees and expenses for post-confirmation services prior to filing fee application, for a grand total of Fifty-Two Thousand Nine Hundred Ninety-Four Dollars and 77/100 (\$52,994.77), representing fees and expenses not previously

approved, and as provided within the Findings of Fact, Conclusions of Law, and Order Confirming Debtor's Second Amended Plan of Reorganization, and for such other and further relief as the Court may deem just and proper.

Respectfully Submitted,

**MARTIN & DROUGHT, P.C.**

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Michael G. Colvard

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**SUBCHAPTER V TRUSTEE**

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the Notice Under Local Rule 9013(g) and Certificate of Mailing was served (i) electronically by the Court's Electronic Case Filing system, and, (ii) by first-class U.S. Mail on the parties listed on the attached Service List thereon on June 7, 2021.

/s/Michael G. Colvard

MICHAEL G. COLVARD